

**PUBLIC HEARING – TOWN OF FREMONT
TOWN BUDGET**

Present: Charles Kimball Chair, Peg Pinkham, Pat Martel, Andy Kohlhofer, Mike Nygren, Doug McElroy, Donald Gates, Jr, Secretary Kathy Arsenault, Town Administrator Heidi Carlson.

The work session began at 7:04 pm and was called to order by Charles Kimball Chair.

Peg Pinkham began with the School Board discussed the recommendation from the Budget Committee and they will meet the recommendations. After talking with the accountants part of the budget should have been in the revenues not as part of the budget. There will be a foot note. Engaged legal council believed to be an inaccurate tuition rate. They are seeking clarification as to what the judgement is actually stating. The School Board position is to move \$86,255 into revenue and then back into the general budget. The line item would be increased, showing the same back as revenue. Pinkham made motion to recommend this change. Kohlhofer seconded. The majority voted in the affirmative. Based on that, Pinkham was authorized to let the Budget Committee know that the School Board will come in with the same recommended budget as the Fremont Budget Committee.

In light of this update, Kohlhofer will make some final changes to the Report of the Budget Committee for the Town Report. This was reviewed by all members.

A Warrant article was presented for an additional \$16,200 to add an additional high school late bus in addition to the high school transportation currently provided. This bus would bring back Fremont students to 2 or 3 drop off points after engaging in after school activities. Parents currently pick up students who engage in after school activities.

McElroy asked how many kids would participate. The School Board polled to see if parents would want it. Pinkham said it is only coming into 2 places in town with secondary highways. With no more discussion, Pinkham moved to recommend the \$16,200 warrant article. Kohlhofer seconded. The vote was unanimously against, thus the motion failed.

Kohlhofer asked about the Sanborn contract and if there are school budget runs surplus are we entitled. Pinkham believes that we should be. That is how she would interpret it. The School District will challenge this.

Carlson passed out Revenue Reports for the purpose of this meeting. Some changes were made in the fact that the Selectmen did not recommend the \$100 stipend to Emergency Management, to coincide with the Budget Committee recommendation (now that the first month of the year has passed without a Director. There was also a mistake found in the Planning/Zoning wages which would have given the position less wages than it currently earns. Carlson has fixed all numbers here. (The number shown in the Selectmen's budget was wrong to begin with.) All numbers have been corrected.

The Town has not received any Citizen's petitions as of the deadline yesterday February 5, 2008.

The School District (being that they are a charter) needed to push the dates for the School District Public Hearing back; based on the petition deadline, thus this public hearing (for the School District portion) will need to be continued again, to Monday. The School District Budget Hearing will begin on Thursday February 7, 2008 at 7:30 pm and continue on Monday February 11, 2008 at 7:30 pm.

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Discussion continued about the Budget Committee Report. Kimball spoke about the warrant articles being announced prior to the budget.

McElroy made a motion to recommend Line - 4191 (Page 7) with Planning/Zoning changes for a total of \$55,113. Pinkham seconded the motion. Majority voted unanimously in the affirmative.

Carlson also updated the Cable Committee warrant article for franchise fees to go into a town expendable trust fund to \$4,000. She advised the number was rounded up so as to be able to use any franchise fees that were turned over within calendar year 2008.

Members of the Public as well as the Committee continued to review the agenda for this meeting. Approximately 30 people were in the audience, including Selectmen Gene Cordes and Peter Bolduc, Department Heads Neal Janvrin, Richard Butler, other members of the Fire Rescue Department, Town Clerk Lori Holmes, and members of the public.

The Public Hearing began at 7:30 pm. It was called to order by Chairman Charles Kimball. Kimball began with the blue sheets which are the Department lines. He continued that a lot of the cuts that will be seen here are mostly in wages. The Budget Committee did not recommend 3% cost of living increases as proposed by the Selectmen. (Copies of all handouts are filed with the minutes).

Pinkham read aloud the line items for the Selectmen's recommendations and the Budget Committee recommendation for 2008 for the operating budget.

There was little discussion about the operating line items within the town budget, but each was reviewed.

Carlson stated that the Solid Waste Collection line in the budget would very likely have to be amended on the floor of Town Meeting. The number included here is that provided by Cape Disposal last December. Cape owner Carl Hussey later told the Board of Selectmen that he would not be able to fulfill his contract obligation and would be done by the end of March due to equipment and other problems. The Town is working to put the contract out to bid and we feel like we would be very lucky to stay at the same numbers, and the probability is much greater that it could be substantially more. Carlson indicated that Cape Disposal has agreed to stay until a new contractor can be located, but did not plan to stay past April.

Kimball asked if there were any questions from the Public. With no questions, discussion moved to the warrant articles.

Article #8 - Kimball read aloud the Article verbiage.

Kohlhofer asked what happens if it gets voted down. Carlson stated that someone would have to amend it with an alternate number. The math would have to be recalculated for any changes voted in operating budgets, such as for the solid waste contract.

Thom Roy asked how Article 7 plays a part with the 3%. Article 7 is a vote to set compensation for elected town officials. Carlson stated that these positions are all of elected officials and the 3% may be included in some cases. The Selectmen recommended 3% the Budget Committee recommended 2%.

Article #9 - Kohlhofer read aloud the Article with the proper verbiage. No questions.

Article #10 - Kohlhofer read aloud the Article with the proper verbiage. No questions.

Article #11 - Pinkham read aloud the Article with the proper verbiage. No questions.

Article #12 - Gates read aloud the Article with the proper verbiage. No questions.

Article #13 - McElroy read aloud the Article with the proper verbiage. No questions.

Article #14 - Martel read aloud the Article with the proper verbiage. Thom Roy asked why the Budget Committee did not recommend this article. Kohlhofer discussed questions the Committee had regarding size of the lot, adding a bathroom, as well as handicap access. Roy questioned if all requirements could be met, would they recommend it? Kohlhofer said maybe they could reconsider it for next year. He continued that someone could bring it up on the floor of the meeting for further discussion as well.

Matthew Thomas, Town Historian, asked who was supposed to be here when you addressed it. Kohlhofer and Carlson stated that it came before the Committee prior to having all information. Carlson explained that the Town has since met with an architect to further review and work on a layout and information. Kimball said initially there was a lack of information on the part of the Committee. Thomas offered that if the Committee didn't have the answers they needed, he would have come in.

Thomas began with the bathrooms, saying there is no definitive plan for a bathroom. There will be a space for it if and when the time comes to put one in. He said he felt there is ample room on the lot. He continued that for septic he would recommend a type of camper-like facility. Kohlhofer asked if that was legal. Thomas stated he didn't know why it wouldn't be. They need to fix the standing water at the corner of Beede Hill Road and Main Street. This may also help to provide additional space for a septic system. Kohlhofer stated that if all items could be met definitely, it would be different. Thomas stated that part of this renovation is to benefit the Fire Department for the purpose of removing the fire hand pump from its current storage location at the fire station; as well as put the hearse in a more stable environment.

Kimball asked if \$10,000 will cover the full cost. Peter Bolduc stated no, this is just the beginning so as to not hit the tax payers all at once. The Capital Reserve fund would build over time until a full plan is ready. Pinkham asked about handicap accessibility. Last year, it would need to have a bathroom facility to meet those laws. Roy stated that it could be the wording stating that it "should". Pinkham would like to look back at last year as to what they were told. Roy said that certainly if planning ahead for the future, it always makes good sense to build it with a bathroom.

Thomas said the Historical Society is pleased with the number of donations that they have been receiving. A gentleman in town has volunteered storage space in his barn, allowing the museum to store pieces of memorabilia for now where they don't have the space for it.

Roy said there is plenty of time to get all of these questions answered in the planning process.

Kohlhofer said he doesn't like to put money aside that you can't spend. Bolduc stated that that is the purpose of a capital reserve fund, to save for a future capital expense.

Pinkham moved to open the Article for reconsideration by the Budget Committee. Gates seconded the motion. Majority voted in the affirmative.

Pinkham then moved to recommend Article #14. Gates seconded. Kohlhofer stated that his concerns remain the same. It would be nice to have a place to store these things, but he feels they need more specific answers. Bolduc said you don't spend this money until you can do the project and that it does come back to the voters. Kohlhofer expressed his concerns in detail as to why he does not recommend this Article.

Cordes reiterated that this is creating a fund for a future capital project. It is a concept. There are some issues that need to be resolved. He said they would get these questions answered and have a plan at a future point. He stated this is simply setting money aside now, so we don't get hit later with the full cost of a renovation.

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Pinkham questioned the purpose of the expansion/renovation, and whether that allows for siding or a new roof as well. Thomas said we would have to be able to resolve all of those questions when we are answering to the voters with a proposal. Thomas added that he felt a holding tank for no more use than what it would be getting, would be acceptable and appropriate. He urged the Town to address the need for a place to house these artifacts. They are appreciative of preserving our Town's heritage.

Jeanne Nygren asked where is the money coming from to correct the water problem. Carlson stated that we are trying to work with the State (NH DOT); as it is a State that crosses under Beede Hill Road. Thus far we have not had a lot of luck trying to speak with someone at Division 6 who can address the water backup issues. The Town will continue to work with the State to try and resolve this. Kimball believes that the School was also trying to work with the State on this.

Martel asked for clarification, and are they willing to wait 5 years at approximately \$10,000 per year being saved in Capital Reserve. Thomas stated yes, if that is what it takes. Mike Nygren had questions about the bath and whether the original design would not be renovated because then it would not be considered a historical site. It was explained that this is historic, but not listed on the National Register. The existing doors are not wide enough to accommodate handicap access and renovations to the existing structure would have to be made.

Nygren added there were several things that were questioned last year, including a bathroom, handicap access, and water problems at the site. Cordes the voters would have the right to vote and discuss that. Thomas said one of the discussion plans is to take the back window out of the existing structure to make room for a handicap door and a connector area. The way that the building is designed, the Historical Society is using the old library shelves to showcase displays. The one window out of the back to be replaced with a door, would be the only change to the existing structure. The addition itself is going to be attached to the existing building. Kohlhofer asked would there be an issue for a holding tank. Bolduc said no, no issue for a holding tank.

Cordes stated that it is a concept. Nygren said the Committee just didn't have enough information at the time of the initial discussion, to decide. It will come up at Town Meeting that you could very well get the money for.

Thomas offered that they are giving you the answers now for a reconsideration. Pinkham asked if it would change the historical value by doing the addition. Thomas stated no, it will be in the same architectural style. It would look like an actual carriage style as if it were from the 1800's. Kohlhofer asked if there is room in the library where there is space, bathrooms and other historical interests. It is not believed there is sufficient room at the new library for all of the historic artifacts.

Roy stated that it is no different than other funds, setting money aside for an anticipated purpose. Nygren stated that the questions we had were can you fix the problems that you have currently, and those were not answered when the Committee made their vote.

Carlson stated that if that the library became an alternative, you could always change the purpose of the funds at a future town meeting. Kohlhofer asked about that verbiage for purpose. Carlson explained that the purpose of any Capital Reserve Fund must be stated, and that to change it required an additional 2/3 Town Meeting vote.

Pinkham moved to change the Budget Committee's position to recommend Article 14 for the Capital Reserve of \$10,000. Gates seconded and a majority voted in the affirmative to recommend the \$10,000.

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Article #15 - Nygren read the Article aloud with the proper verbiage. It was asked what the service was. Nygren explained that we have appropriated over \$26,000 to other social service agencies, and this is a new one for this year. He explained that at the time the Committee made their recommendation, there was not a lot of information. Thomas asked what kind of services they provide. Carlson read aloud from the data information provided by Great Bay Services. It includes Mental Health Services and Services for the Handicapped. In the past year, two residents and their families in Fremont were serviced by this organization. There were no further questions.

Article #16 - Pinkham read aloud the correct verbiage for the Article. No questions.

Carlson stated that there is also more information in the town report on each of the currently supported social service agencies with additional data on residents served.

Article 17 was read aloud. Neal Janvrin stated that there is not a State Election until September 2010. Articles 17 and 18 do not have any fiscal impact in calendar year 2008. Carlson explained that if polling hours are expanded, in future years, there would be some more money to cover those expanded hours.

Article 19, 20, 21 have not been recommended (or not) by the Budget Committee. These came up for discussion at the Budget Committee level as potential cost savings in future years. Pinkham added that the Budget Committee is open for discussion. Nygren seconded. Majority voted in the affirmative.

Matthew Thomas stated he still believes that it is money well spend to receive the monthly town newsletter and Town Report. It should be up to each resident whether or not they read it. He said he felt it was a very useful tool to educate people as to what is happening in town. He felt the same about the Town Report, and he said we don't want to make it more difficult to inform the people. He felt both should be kept as it is currently. Kimball stated many get thrown out at the Post Office. Thomas argued that people need to be given the information and if they choose to throw it away, that is up to them, but they can't say that they didn't get it. It covers all of us. Kohlhofer stated but the Town still has to pay for it. Thomas believes that there are other areas in the Town budget that you can save from instead.

Pinkham stated that there would still be copies, it just wouldn't be mailed. It would be available in Public locations throughout the Town. Thomas questioned how many people are going to remember to go at the beginning of the month when they are not thinking about that. He said again that he doesn't believe it is the right avenue to save money.

Gene Cordes said the Board of Selectmen is very sensitive to the fact that the funding for it was created at Town meeting, the desire was determined at Town Meeting, therefore any decision to alter it should get out there and let people talk about it at Town Meeting. He felt the same was true of the Annual Town Report. There are pros and cons to it, but it is whatever the people want. Thomas knows that most of this information is available on the website, but some may not have the time, when it is practical to receive it in the mail. Many people do not have a computer or internet access. There was also discussion about seniors who may have this as one of their only links to town information.

Martel remembers when the Town Report was delivered by the Boy Scouts, and there was discussion about why that is not practical to do now. Jean Ragonese said it may have been hand delivered to the door, and that she remembers delivering the first newsletter. She read from the article that it does state that you are not "printing". She felt this was a small amount of money in the Town Budget not to mail them. There aren't that many boxes in the Town post offices, even if they throw them out, that represents a small number of the 1,600 you are printing. The good it does is a very small cost.

Kohlhofer said this repeatedly came up before the Budget Committee, with real concerns about looking at these tiny numbers now, but over time we would have to look at them again. They will be bigger. He said we could save a little here and save a litter there, to help keep things under control. We don't want to eat into

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the Capital stock of the Town, little numbers can add up a lot. Lori Holmes asked what it would cost to each household annually to receive that newsletter. Carlson said if you divide by the taxable portion it would be about a penny on the tax rate. Pinkham asked how many households. Carlson said that 1550, including post office boxes, are mailed now.

Pinkham asked the Public if there were any further questions. Carlson pointed out the potential tax impact, and what is included in the Warrant Article Narrative. The estimated tax impact of each article will be included. If the Selectmen's recommendation for the operating budget passes, the tax impact will be \$2.61 in total. The other estimated tax impacts were outlined as being:

Article 9 - \$0.27

Article 10 - zero

Article 11 - zero

Article 12 - \$0.10. A grant was received from last years program of \$5,076 which will offset the tax impact.

Article 13 - \$0.18 rounded

Article 14 - \$0.02

Article 15 and 16 - less than a penny each.

Summing all of these estimates, the town portion of the tax rate would be approximately \$3.19. This is down about \$0.10 from the 2007 tax rate.

Carlson said she had used a very conservative tax assessment. This does not include any changes made on the floor, such as the trash contract. This uses the Selectmen's recommended numbers.

Pinkham asked about the difference of the 2% merit increase (used by the Budget Committee) as opposed to the 3% COLA increase as it relates to tax dollars. Carlson said this would take a bit of time to calculate. Cordes then asked what amount of appropriation adds a dollar to the tax rate and Carlson answered at this time, approximately \$425,000 of appropriation equals a dollar on the tax rate.

The Budget Committee did not recommend \$38,000, and of this, approximately \$15,000 to \$20,000 is estimated to be related to wages. Pinkham asked for this to be put into perspective per household of tax impact. She said that we are asking the town employees to continue working with a pay cut, given the cost of inflation. Pinkham asked if the Committee would reconsider their position. Gates said he is in favor of it and does not see it as a significant impact. McElroy said the numbers are always still out there for the voters to make a choice.

Pinkham asked if it could be included in one of the reports, so we could see the difference of the tax impact and have it in print. Discussion continued amongst the committee and the public. Pinkham specifically asked about wages. Carlson believes that in the narrative, we could add that the reflection of 3% in wages is approximately six cents on the tax dollar. Pinkham expects that this is going to come up for discussion at the annual town meeting. Kohlhofer asked if this is cost of living just for this year. Carlson stated yes. Nygren asked if the wage study was back. Carlson said that only a draft is back, but it had come in after the Committee decided they would not consider it until next year. Kohlhofer added that could make a difference with possible increases already for next year in following the wage matrix. That was part of the concern.

Carlson indicated that the Committee needs to recess this hearing to 7:30 pm on Thursday February 7, 2008; with the Committee to reconvene in a work session at 7:00 pm. The meeting will have to be recessed again to Monday February 11, 2008 to get the final information on any School District petition articles submitted. (School petition article deadline had not previously been provided).

Final copies of the Town's MS-7 form will be prepared for Committee signature at the recessed session tomorrow evening.

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Kohlhofer moved to recess the meeting to 7:00 pm on Thursday February 7, 2008; with the public input session to reconvene at 7:30 pm. Pinkham seconded the motion and it was voted all in favor. The meeting recessed at 8:58 pm.

**PUBLIC BUDGET HEARING
FREMONT SCHOOL DISTRICT
Continued from February 6, 2008**

Present: Charles Kimball Chair, Peg Pinkham, Andy Kohlhofer, Mike Nygren, Doug McElroy, School District Financial Administrator Annmarie Scribner, and Recording Secretary Kathy Arsenault.

The work session began at 7:10 pm. Budget Committee members reviewed the MS-7 report from Carlson. They also reviewed minutes of January 30, 2008.

The public hearing was reopened at 7:30 pm by Charles Kimball Chair.

Pinkham made a motion to approve the minutes of January 30, 2008 as amended. McElroy second. Majority voted in the affirmative.

Nygren suggested opening up for reconsideration the \$86,000 from the vote last night. Nygren stated that when reading it, if you look at it by putting that money into revenues that we haven't received yet, it is like taking nothing from nothing. He continued that this was not the intent of Kohlhofer. Scribner said the \$86,000 is from the 06/07 school year. Nygren stated that you couldn't put in revenues that you don't have. Pinkham stated that the Administration and the School Board are under the advice of Legal Counsel regarding this. Pinkham continued that it is based on projected/predicted costs from Sanborn, and we believe that the cost should reflect back to the actual agreement.

Discussion regarding this topic continued.

Pinkham reminded members that if the Budget Committee recommends shortening the budget amount, it is possible the school could run into a deficit budget. McElroy noted that it (tuition to Sanborn) is a bill we have to pay. Pinkham added that yes, we are held liable to pay this bill. Kohlhofer replied then if we don't pay the bill they could sue us. Pinkham stated we are not suing them, we are asking for clarification. Nygren stated that when we made this motion, it wasn't for money that we thought they owed us, it was for money in this year's budget. Nygren continued our intent was to reduce the budget by that figure. Things being as they are you are going to overpay again this year. We are overpaying them. Scribner stated they don't think that we are. Pinkham stated that only when Sanborn files with the DOE would we know.

After more discussion, Kohlhofer made a motion that we vote to reduce the overall School budget by the reconsidered amount of \$86,055. (High School Tuition Line) Nygren seconded the motion. Majority voted in the affirmative.

Pinkham stated that now with that decision and the agreement we came to last night, we (the School District) would revert back to our original budget. She continued that the budget that was passed out tonight would now have to have numbers changed. Ida Keane asked if it would be higher. Pinkham replied yes, we cut three and a half positions and the Budget Committee cut another one. Keane asked if this was from existing positions. Pinkham stated yes. Jeanne Nygren asked if the budgets received here tonight were at all good. Pinkham replied that now you can toss them. Breeda Royer asked for clarification on the positions. She understands that existing positions will be cut, but where are they identified and is it from regular or support. Kimball stated we are not going to discuss this tonight this.

The meeting was called back to session at 7:55 pm by Charles Kimball Chair.

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Brief discussion took place regarding what would be discussed tonight, as the Committee will reconvene this public hearing on Monday February 11th as well.

Kohlhofer stated that the only difference right now is the \$86,255 in the tuition line. Pinkham said well, yes and no. She continued that there is a big difference when \$86,000 will be cut out of the education line. Kohlhofer stated the School budget wasn't cut, it went up. Pinkham replied that revenues are down, and the District took a huge revenue hit last year, and when you get that amount of money up front one year, it hits you the next. Kohlhofer asked what revenue has changed. Scribner stated that it was a grant of about \$400,000. Nygren added that this is part of the problem, by the time the Budget Committee sat down with the School District, that money was already spent. Nygren continued that now they are asking for money, spending much faster then we are taking revenue in. Nygren added that these are the things we are looking at, like the raises that they have been getting the last two years. He said we can't afford our own school system and it is a shame. Pinkham stated that we didn't give out this contract, the voters gave out this contract. The town voters have every right to make that decision. Kohlhofer stated yes, but the School Board recommended it. Nygren said we can argue over this or agree to disagree, however not one School Board member has ever said that although the Committee has approved this, they individually disagreed with it. Marion Guidoboni replied that she is obligated to support the School Board vote, whether she is for it or against it. This is your budget that you are presenting tonight and we want to hear from you, this is from you.

Jeanne Nygren asked at what point do we have a choice as to when negotiations are made. Kohlhofer replied at school district meeting, it is a warrant article. Kimball stated that it is the 1st one. Pinkham added that the Board doesn't go into negotiations with the intent on going up, they go in with the hope that teachers should be paid comparable to surrounding communities. She said Fremont has gotten closer to those communities so that we retain quality people. She continued that the majority of our teachers have a Masters degree. Having that type of education in the workforce they would not be making under \$40,000.

Discussion continued with regard to the school/teacher negotiations and how it affects the tax rate.

Breeda Royer stated that she would like to comment on what is important on what we spend. She continued that we all have to budget. However, children come first in all families. Their education can come first and yes; it contributes to a substantial amount of our taxes. People will have to look at other things that are being introduced here. Perhaps even by a building, that is only used once a year. Whereas we have a building, like the school, that is serviced by many in the community. She continued that perhaps we should be focusing on other things in the budget.

Matthew Thomas replied how much could a town like this take with a \$10,000,000 budget that is just the School Budget. He continued that the teachers see kids come to the school that are not adequately fed and/or adequately clothed. Schools are getting way out of control and even in towns with businesses, such as Plaistow and Exeter. Pinkham stated that we don't have income tax, this is how we fund education, living in NH. She added that small towns couldn't do it all, that is driven by the State, not at the local level. Education is being held liable for things that it wasn't 10 or 15 years ago. She continued that the ones that are going to suffer the most are those that are not covered under special mandates. It is not that the School Board trying to jump it up, that they are obeying the law and are trying to do it without overspending. We are being held responsible as a town, a school, and a community, however it is not going to change at the local level.

Some discussion continued regarding the health insurance program the teachers are enrolled in.

Ida Keane asked what the Budget Committee would consider as too much of a percentage of the tax impact for the town. She asked do you look at the revenue, and if so how do you come up with a number. She also asked what the Budget Committee would think is a good number.

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Nygren stated that right now it is at 72%. Kohlhofer would look for a 0% impact to stay at 72%. McElroy added that it is going up 10% every year. Nygren stated that with every raise offered, you also pay more into retirement, benefits, etc. Scribner replied that is State law. Nygren replied that we understand that, however if we continue like this, we are going to break the town.

Kohlhofer stated that one of the concerns with the contract is that it has a fixed health plan that we are locked into with no flexibility. Keane asked if that was part of the union negotiation. Pinkham replied yes. Kohlhofer asked if we could offer a self-insured program or savings account, but we can't even look at it, because we have no options. We are held hostage with it this way. Nygren added that the health costs are 40% of the cost.

Kohlhofer began with the lines that have seen a reduction as recommended by the Budget Committee.

- ◇ General substitutes have been reduced \$21,000.
- ◇ Other programs reduced to \$2500 (which is still an increase).
- ◇ Golf reduced by \$500.
- ◇ Speech – Audiology - cut the unfilled position

Kohlhofer stated that the Superintendent had recommended that he had a pool of money that he could distribute as raises anyway he wanted, but to be consistent and fair along with what had been recommended for the Town, the Budget Committee reduced the raises to 2%. That was our recommendation.

Scribner listed the positions that are not a part of the Collective Bargaining Agreement. Nygren then read aloud from the School District Budget. Kohlhofer stated that our recommendation is \$208,254.28 less than what the School District requested.

Kohlhofer stated that in all other lines, we meet the requests of the School Board.

Royer asked for more clarification on the salary adjustment and classifications. Kohlhofer stated that we didn't think it would be fair to vote for a pool of money. Classification is something that had been done before and will need to be done again. Gates stated that we are in the process of getting the Town's wage matrix completed/updated. He continued that it has come in draft form, however it is only a recommendation, not a mandate. He noted that just because it may be the norm throughout the study, it doesn't mean that you have to do it. Breeda Royer asked if the Budget Committee has made this recommendation because they didn't think we could afford it or because it should be reclassified. Nygren replied that the Committee felt we just couldn't afford it.

Breeda Royer asked about the \$22,000 line item for office rent and is this fixed rent. Kohlhofer replied that it is a lease. Pinkham added that the School Board doesn't know for sure, it is up to the landlord. Kohlhofer stated that it is going up to \$22,000 from Oct. 1 to Oct 1. Royer asked if it had been agreed upon with a ceiling or top amount. Kimball replied that the Committee doesn't know, they are going by what the School Board indicates. McElroy added that the \$22,000 was not in last year's budget at all, it is a new line item that was added this year. They found the money for it somewhere last year. Kohlhofer added that the number doesn't cover the cost of phones, furniture, etc.

With no further questions or discussions to come before the Committee, Kimball called a recess to the meeting at 9:15 pm. The meeting will reconvene on Monday February 11, 2008 at 7:30 pm.

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FREMONT SCHOOL DISTRICT
Continued from February 7, 2008**

Present: Charles Kimball Chair, Peg Pinkham, Doug McElroy, Andy Kohlhofer, Mike Nygren, Financial Administrator Annmarie Scribner, Pat Martel, and Recording Secretary Kathy Arsenault.

The meeting was called back to session at 7:30 pm by Charles Kimball Chair.

Minutes of the January 23, 2008 meeting were reviewed. Pinkham made a motion to approve the January 23, 2008 meeting minutes as amended. McElroy seconded the motion. Majority voted in the affirmative.

It is noted that there were no petition submissions for the Fremont School District.

Jeanne Nygren questioned the line for Speech/Audiology and its increase of \$48,000. Pinkham replied that this was our (School Board) original number. Kohlhofer noted that they added it back in, it was a position that was unfilled. Pinkham replied they didn't add it into a contractual line; they kept it in the teacher line.

Neil Rowland stated that he would like to get everyone here on record as to why we spend so much money on Special Education and nothing on the Gifted Program. McElroy replied that Special Education is mandated by the State. Rowland asked if he could have the RSA regarding this. Kohlhofer stated that there is a federal law called IDEA that was passed requiring that if states wanted to receive federal monies, they would have to provide Special Education. Rowland asked if this was related to No Child Left Behind. Kohlhofer replied no, that law was passed around 1977. A brief discussion regarding this continued.

Ida Keane asked about the \$86,000 for the Sanborn tuition agreement that was discussed on Thursday night and how it came into the budget and went back out of it. Nygren explained that this was money that was believed to be overpaid to Sanborn for tuition costs. If we believed to have overpaid it, why would we continue to overpay it? Pinkham stated that we could be cutting ourselves by doing this. Scribner added that Sanborn does not believe that we have overpaid them.

Neil Rowland asked if there was more information as to the criteria the School Board uses for how money is spent and could he obtain those answers. Pinkham stated that School Board meetings are open for the public to attend.

With no further discussion, the Budget Committee signed the School Budget forms.

Kimball noted that the next meeting of the Fremont Budget Committee will be held on Wednesday, April 9, 2008 at 7:00 pm.

Kohlhofer made a motion to adjourn the meeting. Nygren seconded the motion. Majority approved. The meeting was adjourned at 8:15 pm.

Respectfully submitted,

Kathy Arsenault
Recording Secretary